

FISCAL NOTE

SB 3837 - HB 3380

March 6, 2008

SUMMARY OF BILL: Prohibits a health insurance entity from imposing a co-payment or coinsurance charge, a deductible, a limitation on the number of visits, or a dollar limitation on benefits for services rendered by a chiropractic physician that is greater than that imposed on a physician for providing the same services.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Increase Local Expenditures – Not Significant

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would result in a not significant increase in the cost of health insurance premiums for plans that do not currently impose benefits for services by chiropractors as are imposed for similar services by physicians. Such is estimated to be not significant.

A more precise cost estimate is not possible because the Bureau of TennCare did not provide any information to assist in the preparation of this fiscal note.

Assumptions:

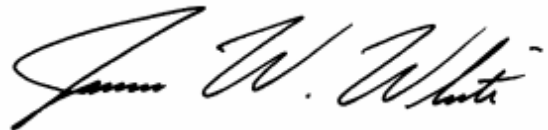
- The Department of Commerce and Insurance will enforce the provisions of the bill through the review of rates, forms, policies, certificates, and contracts for compliance resulting in a not significant increase in expenditures.
- Any cost associated with the increase in complaints by chiropractors will not be significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.
- According to the Department of Finance and Administration, the CoverTN plan is exempted from mandated benefit provisions of state law. The CoverKids and AccessTN programs offer benefits for treatment

by chiropractors in the same manner that benefits are provided for treatment by a physician.

- The TennCare contracted managed care organizations (MCOs) negotiate individual provider agreements. Any of these MCOs that do not currently provide benefits for chiropractors in the same manner as benefits for physicians providing the same services may have to renegotiate provider agreements. It is estimated that any of these changes between the MCO and the provider will not have a significant effect on the negotiated per member per month rate between the Bureau of TennCare and the MCOs.
- The State Employee, Local Education, and Local Employee plans provide coverage for services provided by a chiropractor in the same manner as coverage for services provided by a physician.
- Local governments that do not participate in the Local Employee plan through the state may incur an increase in expenditures if the contracted plan is not providing the same coverage for chiropractors and physicians.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/kml